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DEPARTMENT OF THE TREASURY

Alcohol and Tobacco Tax and Trade Bureau

27 CFR Part 9

[Docket No. TTB–2012–0003]

[Notice No. 128]

RIN: 1513–AB85

Proposed Establishment of the Ancient Lakes of Columbia Valley Viticultural Area

AGENCY: Alcohol and Tobacco Tax and Trade Bureau, Treasury.

ACTION: Notice of proposed rulemaking.

SUMMARY: The Alcohol and Tobacco Tax and Trade Bureau (TTB) proposes to establish the 162,762-acre “Ancient Lakes of Columbia Valley” viticultural area in Douglas, Grant, and Kittitas Counties in central Washington. The proposed viticultural area lies within the larger Columbia Valley viticultural area. TTB designates viticultural areas to allow vintners to better describe the origin of their wines and to allow consumers to better identify wines they may purchase. TTB invites comments on this proposed addition to its regulations.

DATES: We must receive your comments on or before [INSERT DATE 60 DAYS FROM DATE OF PUBLICATION IN THE FEDERAL REGISTER].

ADDRESSES: Please send your comments on this notice to one of the following addresses:

- Internet: <http://www.regulations.gov> (via the online comment form for this notice as posted within Docket No. TTB–2012–0003 at “Regulations.gov,” the Federal e-rulemaking portal);
- U.S. Mail: Director, Regulations and Rulings Division, Alcohol and Tobacco Tax and Trade Bureau, P.O. Box 14412, Washington, DC 20044–4412; or
- Hand delivery/courier in lieu of mail: Alcohol and Tobacco Tax and Trade Bureau, 1310 G Street, NW., Suite 200E, Washington, DC 20005.

See the **Public Participation** section of this notice for specific instructions and requirements for submitting comments, and for information on how to request a public hearing.

You may view copies of this notice, selected supporting materials, and any comments that TTB receives about this proposal at <http://www.regulations.gov> within Docket No. TTB–2012–0003. A link to that docket is posted on the TTB Web site at http://www.ttb.gov/wine/wine_rulemaking.shtml under Notice No. 128. You also may view copies of this notice, all related petitions, maps, or other supporting materials, and any comments that TTB receives about this proposal by appointment at the TTB Information Resource Center, 1310 G Street, NW., Washington, DC 20005. Please call 202–453–2270 to make an appointment.

FOR FURTHER INFORMATION CONTACT: Karen A. Thornton, Regulations and Rulings Division, Alcohol and Tobacco Tax and Trade Bureau, 1310 G St. NW., Box 12, Washington, DC 20005; phone 202–453–1039, ext. 175.

SUPPLEMENTARY INFORMATION:

Background on Viticultural Areas

TTB Authority

Section 105(e) of the Federal Alcohol Administration Act (FAA Act), 27 U.S.C. 205(e), authorizes the Secretary of the Treasury to prescribe regulations for the labeling of wine, distilled spirits, and malt beverages. The FAA Act provides that these regulations should, among other things, prohibit consumer deception and the use of misleading statements on labels, and ensure that labels provide the consumer with adequate information as to the identity and quality of the product. The Alcohol and Tobacco Tax and Trade Bureau (TTB) administers the FAA Act pursuant to section 1111(d) of the Homeland Security Act of 2002, codified at 6 U.S.C. 531(d). The Secretary has delegated various authorities through Treasury Department Order 120-01 (Revised), dated January 21, 2003, to the TTB Administrator to perform the functions and duties in the administration and enforcement of this law.

Part 4 of the TTB regulations (27 CFR part 4) allows the establishment of definitive viticultural areas and the use of their names as appellations of origin on wine labels and in wine advertisements. Part 9 of the TTB regulations (27 CFR part 9) sets forth standards for the preparation and submission of petitions for the establishment or modification of American viticultural areas and lists the approved American viticultural areas.

Definition

Section 4.25(e)(1)(i) of the TTB regulations (27 CFR 4.25(e)(1)(i)) defines a viticultural area for American wine as a delimited grape-growing region having distinguishing features as described in part 9 of the regulations and a name and a delineated boundary as established in part 9 of the regulations. These designations allow vintners and consumers to attribute a given quality, reputation, or other characteristic of a wine made from grapes grown in an area to its geographic origin. The establishment of viticultural areas allows vintners to describe more accurately the origin of their wines to consumers and helps consumers to identify wines they may purchase. Establishment of a viticultural area is neither an approval nor an endorsement by TTB of the wine produced in that area.

Requirements

Section 4.25(e)(2) of the TTB regulations outlines the procedure for proposing an American viticultural area and provides that any interested party may petition TTB to establish a grape-growing region as a viticultural area. Section 9.12 of the TTB regulations (27 CFR 9.12) prescribes standards for petitions for the establishment or modification of American viticultural areas. Such petitions must include the following:

- Evidence that the area within the proposed viticultural area boundary is nationally or locally known by the viticultural area name specified in the petition;
- An explanation of the basis for defining the boundary of the proposed viticultural area;

- A narrative description of the features of the proposed viticultural area that affect viticulture, such as climate, geology, soils, physical features, and elevation, that make the proposed viticultural area distinctive and distinguish it from adjacent areas outside the proposed viticultural area boundary;
- A copy of the appropriate United States Geological Survey (USGS) map(s) showing the location of the proposed viticultural area, with the boundary of the proposed viticultural area clearly drawn thereon; and
- A detailed narrative description of the proposed viticultural area boundary based on USGS map markings.

Ancient Lakes of Columbia Valley Petition

TTB received a petition from Joan R. Davenport, a professor of soil sciences at Washington State University, and Cameron Fries of White Heron Cellars, on behalf of the vintners and grape growers in the Ancient Lakes region of central Washington, proposing the establishment of the “Ancient Lakes of Columbia Valley” viticultural area. The proposed viticultural area contains 162,762 acres, 1,399 acres of which are dedicated to commercially-producing vineyards. The petition states that there are six wineries and six commercially-producing vineyards located within the proposed viticultural area. The petition also includes a map showing that the vineyards and wineries are dispersed throughout the proposed viticultural area. According to the petition, the distinguishing features of the proposed viticultural area include its topography, soils, climate, and geology. Unless otherwise noted, all information and data contained in the below sections concerning the name, boundary, and

distinguishing features of the proposed viticultural area are from the petition for the proposed Ancient Lakes of Columbia Valley viticultural area and its supporting exhibits.

TTB notes that the proposed Ancient Lakes of Columbia Valley viticultural area lies completely within the existing Columbia Valley viticultural area (27 CFR 9.74). The proposed viticultural area does not overlap with any other existing or proposed viticultural area.

Name Evidence

The USGS Babcock Ridge map shows the “Ancient Lake” place name marking a cluster of three lakes located in the western half of the proposed Ancient Lakes of Columbia Valley viticultural area. According to the USGS Geographic Names Information System (GNIS), the “Ancient Lake” geographical name is also used for two other areas in Oregon. Given the multiple locations with the same name, TTB requested that the petitioners provide a geographical modifier to the “Ancient Lakes” name originally proposed by the petitioners. In response to TTB’s request, the petitioners changed the proposed viticultural area name to “Ancient Lakes of Columbia Valley” to clarify the location of the proposed viticultural area and avoid any potential confusion with any other locations referred to as “Ancient Lakes.” Additionally, TTB notes that GNIS shows no other area located within the Columbia Valley region, including within the existing Columbia Valley viticultural area, that is designated as “Ancient Lake” or “Ancient Lakes.”

“Ancient Lakes” is a name commonly used by local residents and businesses for the general region near the cluster of three lakes appearing on the Babcock Ridge map. The petitioners submitted a newspaper article, area maps, and printed documentation of online news articles that demonstrate such usage. The newspaper article concerned a geological tour of the Quincy Valley and listed one of the tour stops as the “incised coulees of the Ancient Lakes area” (“Geological touring,” Quincy Valley Post-Register, September 10, 2005). An online news article on desert recreation in Washington State from the website of The Oregonian newspaper is titled “Ancient Lakes provide water for wildlife in Washington’s sagebrush desert” (OregonLive.com, March 31, 2010). The Wenatchee Area Wine Trail Map denotes an area surrounding several wineries as the “Ancient Lakes Area.” Also, a vacation guide map of Grant County, Washington, designates a cluster of three lakes within the proposed viticultural area as “Ancient Lakes.”

The petition also includes a series of letters submitted by county and State government officials, a Member of Congress, and businesses within the general region of the proposed viticultural area, and area winemakers that support both the establishment of the proposed viticultural area and the use of the Ancient Lakes name.

Boundary Evidence

The proposed Ancient Lakes of Columbia Valley viticultural area is located within a bowl-shaped formation known as the Quincy Basin, which lies within the larger Columbia Valley region of central Washington. Most of the proposed

viticultural area is within Grant County, with small parts in Douglas and Kittitas Counties. The proposed Ancient Lakes of Columbia Valley viticultural area is 12 miles from east-to-west and 22 miles from north-to-south, according to USGS maps. The Columbia River forms the western portion of the proposed boundary line. The Babcock Bench and Babcock Ridge formations, which run north and south along the eastern side of the river within the proposed viticultural area, rise sharply before descending to the lower slopes of the basin floor. The Potholes Coulee, a distinctive feature within the proposed viticultural area, juts from the Babcock Bench into the floor of the Quincy Basin. The coulee consists of two parallel, steep-sided canyons running west to east, perpendicular to the Babcock Bench. When viewed from above, the coulee has a horseshoe shape, with the Babcock Bench forming the bottom of the horseshoe. The coulee is dotted with lakes, including the cluster of three lakes identified as Ancient Lake on the USGS Babcock Ridge map.

Two east-to-west mountain ranges, Beezley Hills and Frenchman Hills, define the respective northern and southern edges of the Quincy Basin. These ranges also form the north and south portions of the boundary line of the proposed Ancient Lakes of Columbia Valley viticultural area.

The USGS maps show that the eastern portion of the proposed boundary line closely follows the north-to-south Frenchman Hills Wasteway. TTB notes that the wasteway is a manmade irrigation canal. The proposed eastern boundary line is in the region where the Beezley Hills begin to curve to the north

and the Frenchman Hills begin to curve to the south, pulling away from their basin-forming shape and marking the eastern edge of the Quincy Basin.

The western portion of the proposed boundary line follows the western shoreline of the Columbia River in Kittitas County. The mountainous landscape to the west of the Columbia River (outside of the proposed viticultural area) marks the western edge of the Quincy Basin. Much of the land to the west of the Columbia River outside of the proposed viticultural area is designated as a wildlife refuge by the Washington State Department of Game and Wildlife, and, according to the petitioners, is unlikely to be available for agricultural purposes.

Distinguishing Features

The distinguishing features of the proposed Ancient Lakes of Columbia Valley viticultural area are topography, soils, and climate.

Topography

The proposed viticultural area is located within a distinctive landform locally referred to as the Quincy Basin. The basin has elevations lower than the surrounding area and slopes gently to the east. As previously noted the foothills of the Beezley Mountains and the Frenchman Hills form the northern and southern portions of the proposed boundary. The foothills of the Beezley Hills within the proposed viticultural area start at around 1,300 feet near the town of Quincy and rise to around 1,600 feet at the northern portion of the proposed boundary line. In the foothills of the Frenchman Hills, the elevations begin around at 1,200 feet within the proposed viticultural area and rise to 1,912 feet at

the peak marked Columbia on the USGS Vantage map, near the southern portion of the proposed boundary line.

The floor of the basin comprises most of the proposed viticultural area and is much flatter than most of the surrounding region. The Babcock Bench, Babcock Ridge, and the Potholes Coulee provide the only significant elevation changes and slope gradients within the basin. The Babcock Bench begins as a narrow band of nearly flat land within the proposed viticultural area, with an elevation of 570 feet at the edge of the river, and quickly rises to the east to form a steep and rugged terrain. At about the 1,100-foot elevation, the slopes of the Babcock Bench become even steeper and higher, forming the Babcock Ridge, with elevations up to 1,586 feet. A map submitted with the petition shows slope gradients of 54 to 63 percent on the Babcock Ridge. The eastern slopes of Babcock Ridge are less steep than the western slopes, with slope gradients of approximately 27 percent, and descend to the lower elevations of the Quincy Basin floor. The highest elevation on the Potholes Coulee is a 1,328-foot peak on the rim. The three lakes identified as Ancient Lake on the USGS map have an elevation of 821 feet at water level, which is one of the lowest elevations in the coulee. The floor of the Quincy Basin has a nearly flat topography and slopes downward gently and gradually towards the east from the Potholes Coulee and Babcock Ridge, with a sloping gradient of less than 4 percent.

To the north of the proposed viticultural area, the slope gradient is much steeper and the elevations are much higher. The Beezley Hills rise from the foothills to an elevation of 2,882 feet at Monument Hill. Slope gradients in the

hills range from 27 to 54 percent, much steeper than the floor of the Quincy Basin within the proposed viticultural area.

To the east of the proposed viticultural area, the topography is nearly flat, similar to the floor of the Quincy Basin within the proposed viticultural area. However, the slight elevations of the region to the east of the proposed viticultural area have mostly western-facing slopes, in contrast to the mostly eastern-facing slopes of the basin floor within the proposed viticultural area. The terrain east of the proposed viticultural area also develops an upward slope with a gradient of approximately 11 percent. The change in slope and the increase in gradient mark the eastern edge of the Quincy Basin.

To the south of the proposed viticultural area are the Frenchman Hills, which form the southern edge of the Quincy Basin. Outside of the proposed viticultural area, the elevations of the Frenchman Hills begin to descend from a height of around 1,740 feet, transitioning into the feature known as the Royal Slope. The Royal Slope descends to approximately 1,000 feet and has slope gradients ranging from 4 to 11 percent.

To the west of the Babcock Bench and Columbia River, beyond the boundary of the proposed viticultural area, the terrain is rugged and steep, with slope gradients of between 27 to 54 percent. Elevations in this region start at 580 feet along the banks of the Columbia River and quickly rise to 2,765 feet at a peak on the West Bar map.

Soils

The proposed Ancient Lakes of Columbia Valley viticultural area contains 65 soil types (United States Department of Agriculture-Natural Resources Conservation Service (USDA-NCRS), <http://datagateway.nrcs.usda.gov>), with the most common 17 soils within the proposed viticultural area covering 88 percent of the land surface. The Ancient Lakes region soils are classified as Aridisols, which were formed in arid conditions and have a low presence of organic matter. Soils with low levels of organic matter are important in viticulture because they release less nitrogen, resulting in less vigorous vine growth and a more favorable fruit-to-canopy ratio.

The petition includes two tables that describe the soil composition of the proposed Ancient Lakes of Columbia Valley viticultural area and the areas due north, east, south, and west. The first table lists the seven most common soil series in the proposed viticultural area and the percentage (and rank) of the series in areas due north, east, south, and west. The second table lists the top five soil series in the areas surrounding the proposed viticultural area. The tables show significant contrasts in soils within and outside of the proposed Ancient Lakes of Columbia Valley viticultural area.

Soil	Proposed Viticultural Area	North	East	South	West
Quincy fine sand	18.49 (1)	0.71 (40)	36.5 (1)	7.41 (5)	0
Warden very fine sandy loam	11.65 (2)	0.07 (92)	0.11 (20)	0.42 (26)	0
Taunton silt loam and loamy fine sand	9.91 (3)	0	7.75 (4)	9.76 (3)	0
Scoon silt loam	8.92 (4)	0	1.76 (11)	7.55 (4)	0
Shano silt loam	6.63 (5)	0	0	3.69 (9)	0
Sagehill very fine sandy loam	5.36 (6)	0	0.06 (22)	0.42 (25)	0
Adkins very fine sandy loam	3.36 (7)	0	0	4.76 (7)	0

Rank	North	East	South	West
1	Toler ashy fine sandy loam	Quincy fine sand	Pits	Shin very cobbly ashy loam
2	Esquatzel silt loam	Malaga gravelly sandy loam	Taunton silt loam and loamy fine sand	Argaback very cobbly loam
3	Ritzville silt loam	Timmerman coarse sandy loam	Scoon silt loam	Jumpe stony ashy loam
4	Argaback very cobbly loam	Taunton loamy fine sand	Quincy fine sand	Tekison stony loam
5	Bagdad silt loam	Prosser very fine sandy loam	Adkins very fine sandy loam	Malaga stony sandy loam

To the north of the proposed Ancient Lakes of Columbia Valley viticultural area, the five most common northern soils are all Mollisols, which have high levels of organic matter that can contribute to more vigorous vine growth than the

Aridisoils of the proposed viticultural area. The most common northern soil series shows influence from volcanic activity. Volcanic soils tend to have water repellent characteristics and provide irrigation challenges.

To the east, Quincy fine sand and Taunton loamy fine sand are two of the five most common soils, similar to the proposed Ancient Lakes of Columbia Valley viticultural area. However, there are fewer soil types to the east than within the proposed viticultural area, and a higher percentage of the soils to the east are sandy soils. Soils high in sand have lower water holding capacities than less sandy soils.

To the south, all of the seven most common soils in the Ancient Lakes region are present; however, these soils account for only 24.72 percent of the soil composition. Schawana complex soils, which are not present within the proposed viticultural area, are the most dominant in the area to the south of the proposed viticultural area, comprising 15.43 percent of the soils. Schawana complex soils are described as very weakly developed soils with very shallow depths that are not particularly well suited for viticulture.

The region to the west contains none of the seven most common soils found within the proposed viticultural area. Two of the most common soils to the west are of volcanic origin, as indicated by the presence of ash. These soils, like the volcanic soils to the north of the proposed viticultural area, have low water holding capacities. The most common soils to the west also contain large quantities of stones and cobbles, which also have low water holding capacity.

Climate

The petition provides climatic data for the proposed Ancient Lakes of Columbia Valley viticultural area and the surrounding areas, including annual precipitation averages in inches, growing degree day (GDD) units,¹ and the number of consecutive days during which GDD accumulation was not interrupted by a day when the temperature did not exceed 50 degrees Fahrenheit (F). A base temperature of 50 degrees F is used because that is the base temperature used for calculating growing degree days. TTB notes that a continuous span of GDD unit accumulation contributes to consistent grape growth and achieving maturity before the onset of freezing temperatures.

The table below was derived from the data contained in the petition. The petition uses long-term weather station data from the Quincy (within the proposed viticultural area), Wenatchee (to the north), and Moses Lake (to the east) sites; 2009–10 data from the Royal City West (to the south) site²; and 2007–2010 data from the Wenatchee Heights (to the west) site³ (the Washington Agricultural Weather Network Version 2.0, WSU Prosser, www.weather.wsu.edu).

¹ In the Winkler climatic classification system, annual heat accumulation during the growing season, measured in annual GDD, defines climatic regions. One GDD accumulates for each degree Fahrenheit that a day's mean temperature is above 50 degrees, the minimum temperature required for grapevine growth ("General Viticulture," by Albert J. Winkler, University of California Press, 1974, pages 61-64.)

² According to the petitioner, the Royal City West weather station went online in December 2008. The data included in the tables is for the only two complete years available from that station.

³ According to the petitioner, the Wenatchee Heights weather station data is only available from 2006. The data included in the tables is for the only four complete years available from that station.

Location	Proposed Viticultural Area	North	East	South	West
Precipitation in inches	6.49	10	7	7.03	8.18
GDD units	2,570	2,640	2,551	2,784	2,169
Number of continuous GDD days	182	186	175	153	152

The data in the table above show that the climate within the proposed Ancient Lakes of Columbia Valley viticultural area is distinguishable from the climate in surrounding areas. The area to the north of the proposed viticultural area has more precipitation, more GDD units, and more continuous GDD unit days. The area to the east is cooler, as shown by fewer GDD units and a shorter period of GDD unit days. The area to the south has a greater fluctuation in growing season temperatures than the proposed viticultural area; although daytime temperatures climb high enough above 50 degrees F to achieve a high total number of GDD units, temperatures also drop below 50 degrees F frequently enough to result in a shorter number of continuous GDD unit days. The area to the west receives more precipitation than the proposed viticultural area and is cooler, with fewer GDD units and a shorter period of continuous GDD unit days.

Comparison of the Proposed Ancient Lakes of Columbia Valley to the Existing Columbia Valley Viticultural Area

The proposed Ancient Lakes of Columbia Valley viticultural area lies entirely within, and is approximately 0.01 percent the size of, the Columbia Valley viticultural area. The 11.6 million acre Columbia Valley viticultural area was

established by T.D. ATF–190, which published in the **Federal Register** (49 FR 44895) on November 13, 1984. T.D. ATF–190 describes the Columbia Valley as a large, treeless basin surrounding the Yakima, Snake, and Columbia Rivers in portions of Washington and Oregon. The topography of the Columbia Valley viticultural area was described as a rolling terrain, cut by rivers and broken by long, sloping, basaltic, east-west uplifts. In addition, T.D. ATF–190 states that the Columbia Valley viticultural area is dominated by major rivers and has a long, dry growing season characterized by an average growing season of 150 days or more; 2,000 GDD units or more; and 15 inches of rainfall or less annually.

The information submitted in the petition shows that the smaller proposed Ancient Lakes of Columbia Valley viticultural area generally has a climate that fits within the climate range of the larger Columbia Valley viticultural area as described in T.D. ATF–190, with low annual precipitation, a growing season of 180 days, and 2,570 GDD units. However, TTB notes that the relatively uniform distinguishing features of the smaller proposed Ancient Lakes of Columbia Valley viticultural area contrast to the more varied topography, soils, and climate of the expansive Columbia Valley viticultural area.

Like the Columbia Valley viticultural area, the proposed Ancient Lakes of Columbia Valley viticultural area is also a basin, ringed by the steep slopes of the Beezley Hills, the Babcock Bench, and the Frenchman Hills. However, the Columbia Valley viticultural area is marked by three major rivers, whereas the water features of the proposed Ancient Lakes of Columbia Valley viticultural area include many small lakes and two manmade irrigation canals; the only major river

in the proposed Ancient Lakes of Columbia Valley viticultural area is the Columbia River, which forms the western portion of the proposed boundary line. Additionally, the soil information provided in the petition for the proposed Ancient Lakes of Columbia Valley viticultural area shows that although the soil types found within the proposed boundary are present to some extent in the surrounding areas, they do not occur with the same frequency as within the proposed viticultural area.

TTB Determination

TTB concludes that the petition to establish the 162,762-acre Ancient Lakes of Columbia Valley viticultural area merits consideration and public comment, as invited in this notice.

Boundary Description

See the narrative boundary description of the petitioned-for viticultural area in the proposed regulatory text published at the end of this notice.

Maps

The petitioner provided the required maps, and TTB lists them below in the proposed regulatory text.

Impact on Current Wine Labels

Part 4 of the TTB regulations prohibits any label reference on a wine that indicates or implies an origin other than the wine's true place of origin. If TTB establishes this proposed viticultural area, its name, "Ancient Lakes of Columbia Valley," will be recognized as a name of viticultural significance under 27 CFR 4.39(i)(3). The text of the proposed regulation clarifies this point. Consequently,

wine bottlers using “Ancient Lakes of Columbia Valley” in a brand name, including a trademark, or in another label reference as to the origin of the wine, will have to ensure that the product is eligible to use the viticultural area’s name as an appellation of origin.

On the other hand, TTB does not believe that any single part of the proposed viticultural area name standing alone, that is, “Ancient Lakes” or “Columbia Valley,” would have viticultural significance in relation to this proposed viticultural area because: (1) according to Geographic Names Information Service, the “Ancient Lakes” area name refers to locations in Oregon as well as Washington, so TTB believes that a determination of “Ancient Lakes” as a term of viticultural significance could lead to consumer and industry confusion and should be avoided; and (2) “Columbia Valley,” standing alone, is locally and nationally known as referring to the established Columbia Valley viticultural area (27 CFR 9.74), which is already a term of viticultural significance under 27 CFR 4.39(i)(3), which states that “[a] name has viticultural significance * * * when approved as a viticultural area * * *.” Therefore, the proposed part 9 regulatory text set forth in this document specifies only “Ancient Lakes of Columbia Valley” as a term of viticultural significance for purposes of part 4 of the TTB regulations.

For a wine to be eligible to use a viticultural area name as an appellation of origin or a term of viticultural significance in a brand name, at least 85 percent of the wine must be derived from grapes grown within the area represented by that name or term, and the wine must meet the other conditions listed in 27 CFR 4.25(e)(3). If the wine is not eligible to use the viticultural area name as an

appellation of origin and that name or other term of viticultural significance appears in the brand name, then the label is not in compliance and the bottler must change the brand name and obtain approval of a new label. Similarly, if the viticultural area name or other term of viticultural significance appears in another reference on the label in a misleading manner, the bottler would have to obtain approval of a new label.

Different rules apply if a wine has a brand name containing a viticultural area name or other term of viticultural significance that was used as a brand name on a label approved before July 7, 1986. See 27 CFR 4.39(i)(2) for details.

Public Participation

Comments Invited

TTB invites comments from interested members of the public on whether it should establish the proposed viticultural area. TTB is also interested in receiving comments on the sufficiency and accuracy of the name, boundary, topography, soils, climate, and other required information submitted in support of the petition. In addition, given the proposed Ancient Lakes of Columbia Valley viticultural area's location within the existing Columbia Valley viticultural area, TTB is interested in comments on whether the evidence submitted in the petition regarding the distinguishing features of the proposed viticultural area sufficiently differentiates it from the existing Columbia Valley viticultural area. TTB is also interested in comments whether the geographic features of the proposed viticultural area are so distinguishable from the surrounding Columbia Valley viticultural area that the proposed Ancient Lakes of Columbia Valley viticultural

area should no longer be part of that viticultural area. Please provide any available specific information in support of your comments.

Because of the potential impact of the establishment of the proposed Ancient Lakes of Columbia Valley viticultural area on wine labels that include the term “Ancient Lakes of Columbia Valley” as discussed above under **Impact on Current Wine Labels**, TTB is particularly interested in comments regarding whether there will be a conflict between the proposed area name and currently used brand names. If a commenter believes that a conflict will arise, the comment should describe the nature of that conflict, including any anticipated negative economic impact that approval of the proposed viticultural area will have on an existing viticultural enterprise. TTB is also interested in receiving suggestions for ways to avoid conflicts, for example, by adopting a modified or different name for the viticultural area.

Submitting Comments

You may submit comments on this notice by using one of the following three methods:

- Federal e-Rulemaking Portal: You may send comments via the online comment form posted with this notice within Docket No. TTB–2012–0003 on “Regulations.gov,” the Federal e-rulemaking portal, at <http://www.regulations.gov>. A direct link to that docket is available under Notice No. 128 on the TTB Web site at http://www.ttb.gov/wine/wine_rulemaking.shtml. Supplemental files may be attached to comments submitted via Regulations.gov. For complete instructions

on how to use Regulations.gov, visit the site and click on the “Help” tab at the top of the page.

- U.S. Mail: You may send comments via postal mail to the Director, Regulations and Rulings Division, Alcohol and Tobacco Tax and Trade Bureau, P.O. Box 14412, Washington, DC 20044–4412.

- Hand Delivery/Courier: You may hand-carry your comments or have them hand-carried to the Alcohol and Tobacco Tax and Trade Bureau, 1310 G Street, NW., Suite 200E, Washington, DC 20005.

Please submit your comments by the closing date shown above in this notice. Your comments must reference Notice No. 128 and include your name and mailing address. Your comments also must be made in English, be legible, and be written in language acceptable for public disclosure. TTB does not acknowledge receipt of comments, and TTB considers all comments as originals.

If you are commenting on behalf of an association, business, or other entity, your comment must include the entity’s name as well as your name and position title. If you comment via Regulations.gov, please enter the entity’s name in the “Organization” blank of the online comment form. If you comment via postal mail or hand delivery/courier, please submit your entity’s comment on letterhead.

You may also write to the Administrator before the comment closing date to ask for a public hearing. The Administrator reserves the right to determine whether to hold a public hearing.

Confidentiality

All submitted comments and attachments are part of the public record and subject to disclosure. Do not enclose any material in your comments that you consider to be confidential or inappropriate for public disclosure.

Public Disclosure

On the Federal e-rulemaking portal, Regulations.gov, TTB will post, and you may view, copies of this notice, selected supporting materials, and any electronic or mailed comments TTB receives about this proposal. A direct link to that docket is available on the TTB Web site at http://www.ttb.gov/wine/wine_rulemaking.shtml under Notice No. 128. You may also reach the docket containing this notice and the posted comments received on it through the Regulations.gov search page at <http://www.regulations.gov>.

All posted comments will display the commenter's name, organization (if any), city, and State, and, in the case of mailed comments, all address information, including e-mail addresses. TTB may omit voluminous attachments or material that the Bureau considers unsuitable for posting.

You may also view copies of this notice, all related petitions, maps and other supporting materials, and any electronic or mailed comments that TTB receives about this proposal by appointment at the TTB Information Resource Center, 1310 G Street, NW., Washington, DC 20005. You may also obtain copies at 20 cents per 8.5- x 11-inch page. Contact TTB's information specialist at the above address or by telephone at 202-453-2270 to schedule an appointment or to request copies of comments or other materials.

Regulatory Flexibility Act

TTB certifies that this proposed regulation, if adopted, would not have a significant economic impact on a substantial number of small entities. The proposed regulation imposes no new reporting, recordkeeping, or other administrative requirement. Any benefit derived from the use of a viticultural area name would be the result of a proprietor's efforts and consumer acceptance of wines from that area. Therefore, no regulatory flexibility analysis is required.

Executive Order 12866

This proposed rule is not a significant regulatory action as defined by Executive Order 12866. Therefore, no regulatory assessment is required.

Drafting Information

Karen A. Thornton of the Regulations and Rulings Division drafted this notice.

List of Subjects in 27 CFR Part 9

Wine.

Proposed Regulatory Amendment

For the reasons discussed in the preamble, TTB proposes to amend title 27, chapter I, part 9, Code of Federal Regulations, as follows:

PART 9—AMERICAN VITICULTURAL AREAS

1. The authority citation for part 9 continues to read as follows:

Authority: 27 U.S.C. 205.

Subpart C—Approved American Viticultural Areas

2. Subpart C is amended by adding § 9.____ to read as follows:

§ 9.____ Ancient Lakes of Columbia Valley.

(a) Name. The name of the viticultural area described in this section is “Ancient Lakes of Columbia Valley”. For purposes of part 4 of this chapter, “Ancient Lakes of Columbia Valley” is a term of viticultural significance.

(b) Approved maps. The 12 United States Geological Survey (USGS) 1:24,000 scale topographic maps used to determine the boundary of the Ancient Lakes of Columbia Valley viticultural area are titled:

- (1) West Bar, Washington, 1966;
- (2) Rock Island Dam, Washington, 1966;
- (3) Appledale, Washington, 1966, photoinspected 1976;
- (4) Monument Hill, Washington – Grant County, 1966;
- (5) Ephrata SW, Washington – Grant County, 1956;
- (6) Winchester, Washington – Grant County, 1966;
- (7) Winchester SW, Washington – Grant County, 1966, photorevised 1978;
- (8) Royal City, Washington – Grant County, provisional edition 1986 (formerly named Smyrna);
- (9) Beverly NE, Washington – Grant County, 1965;
- (10) Vantage, Washington, 1965, photorevised 1978;
- (11) Ginkgo, Washington, 1953, photorevised 1978; and
- (12) Cape Horn SE, Washington, 1966, photoinspected 1975.

(c) Boundary. The Ancient Lakes of Columbia Valley viticultural area is located in Douglas, Grant, and Kittitas Counties in central Washington. The boundary of the Ancient Lakes of Columbia Valley viticultural area is as described below:

(1) The beginning point is on the West Bar map where the western shoreline of the Columbia River in Kittitas County intersects with the north boundary line of section 8, T20N/R22E. Proceed east along the section boundaries for approximately 4.35 miles, over the Columbia River and into Douglas County, to the intersection of the line with the Grant and Douglas Counties common boundary line (concurrent with the R22E and R23E common line) at the northwest corner of section 12, T20N/R22E; then

(2) Proceed north along the Grant and Douglas Counties common boundary line for approximately 2.25 miles, onto the Rock Island Dam map, to the northwest corner of section 31, T21N/R23E; then

(3) Proceed east in a straight line along the section boundaries for approximately 12.1 miles, over the Appledale and Monument Hills maps, onto the Ephrata SW map to the intersection of the line with the R24E and R25E common line at the northwest corner of section 36, T21N/R24E; then

(4) Proceed south along the R24E and R25E common line for approximately 22.5 miles, over the Winchester and Winchester SW maps, onto the Royal City map, passing over the West Canal and into the Frenchman Hills, to the southwest corner of section 12, T17N/R24E (concurrent with the

intersection of the R24E and R25E common line and a single transmission line);
then

(5) Proceed west in a straight line along the section boundaries (marked for 3 sections by the single transmission line) for approximately 4 miles, onto the Beverly NE map, to the southwest corner of section 9, T17N/R24E; then

(6) Proceed north in a straight line along the section boundary for approximately 1 mile to the northwest corner of section 9, T17N/R24E; then

(7) Proceed west in a straight line along the section boundaries for approximately 7.9 miles, onto the Vantage map, crossing over Interstate Route 90 and Columbia River, to the western shoreline of the Columbia River, at Hole in the Wall in Kittitas County, section 6, T17N/R23E; and then

(8) Proceed north along the western shoreline of the meandering Columbia River for approximately 23.3 miles, crossing over the Ginkgo and Cape Horn SE maps, onto the West Bar map, and returning to the beginning point.

Signed: April 30, 2012.

John J. Manfreda,

Administrator.

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